

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Township of Park	County Ottawa
Fiscal Year End 3/31/06	Opinion Date 05/19/06	Date Audit Report Submitted to State 9/15/06	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

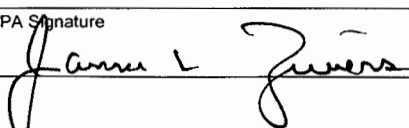
YES  
NO

**Check each applicable box below.** (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☐ ☒ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

<b>We have enclosed the following:</b>	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input type="checkbox"/>	No letter written	
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Ferris, Busscher & Zwiers, P.C.		Telephone Number (616) 392-8534	
Street Address 675 E. 16th Street, Suite 100		City Holland	State MI
		Zip 49423	
Authorizing CPA Signature 	Printed Name James L. Zwiers, C.P.A.		License Number 1101009267

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
FINANCIAL STATEMENTS  
MARCH 31, 2006

## INDEX

### Page

#### INDEPENDENT AUDITORS' REPORT

#### BASIC FINANCIAL STATEMENTS

##### Government-wide Financial Statements

Statement of Net Assets .....	1
Statement of Activities.....	2

##### Fund Financial Statements

Balance Sheet – Governmental Funds .....	3
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Assets of Governmental Activities on the Statement of Net Assets .....	4
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	6
Statement of Net Assets – Proprietary Fund .....	7
Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Fund.....	8
Statement of Cash Flows – Proprietary Fund .....	9
Statement of Fiduciary Net Assets – Agency Fund .....	10

Notes to Financial Statements.....	11-21
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#### REQUIRED SUPPLEMENTARY INFORMATION

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.....	22-24
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May 19, 2006

Township Board  
Township of Park  
Ottawa County, Michigan

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying basic financial statements of the Township of Park, as of and for the year ended March 31, 2006, as listed in the index. These basic financial statements are the responsibility of the management of the Township of Park. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Township of Park as of March 31, 2006, and the results of its operations and its cash flows of its business-type activities for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Management has elected to omit the Management's Discussion and Analysis from the required supplementary information.

*Ferris, Busscher & Zwiars*  
FERRIS, BUSSCHER & ZWIERS, P.C.  
Certified Public Accountants  
Holland, Michigan

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## BASIC FINANCIAL STATEMENTS

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF NET ASSETS  
MARCH 31, 2006

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
ASSETS			
Cash	\$ 7,026,900	\$ 519,736	\$ 7,546,636
Receivables, net	919,438	312,207	1,231,645
Capital assets			
Land	1,730,409	-	1,730,409
Construction in progress	420,726	13,262	433,988
Other capital assets, net of depreciation	<u>5,314,071</u>	<u>6,242,278</u>	<u>11,556,349</u>
TOTAL ASSETS	<u>\$ 15,411,544</u>	<u>\$ 7,087,483</u>	<u>\$ 22,499,027</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ 180,942	\$ 107,831	\$ 288,773
Internal balances	<u>(851,051)</u>	<u>851,051</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ (670,109)</u>	<u>\$ 958,882</u>	<u>\$ 288,773</u>
NET ASSETS			
Invested in capital assets	\$ 7,465,206	\$ 6,255,540	\$ 13,720,746
Restricted			
Recreation	1,733,088	-	1,733,088
Public safety	589,658	-	589,658
Unrestricted	<u>6,293,701</u>	<u>(126,939)</u>	<u>6,166,762</u>
TOTAL NET ASSETS	<u>\$ 16,081,653</u>	<u>\$ 6,128,601</u>	<u>\$ 22,210,254</u>

See notes to financial statements

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF ACTIVITIES  
YEAR ENDED MARCH 31, 2006

FUNCTIONS/PROGRAMS	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
PRIMARY GOVERNMENT			
Governmental activities			
General government	\$ 1,161,535	\$ 31,789	\$ -
Public safety	1,399,427	199,629	-
Public works	327,403	-	123,217
Recreation	<u>477,916</u>	<u>95,925</u>	<u>-</u>
Total governmental activities	<u>\$ 3,366,281</u>	<u>\$ 327,343</u>	<u>\$ 123,217</u>
Business-type activities			
Water	<u>\$ 1,186,497</u>	<u>\$ 1,040,718</u>	<u>\$ -</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 4,552,778</u>	<u>\$ 1,368,061</u>	<u>\$ 123,217</u>
General revenues			
Taxes			
Property taxes, levied for general purposes			
Property taxes, levied for public safety			
Property taxes, levied for recreation			
State shared revenues			
Unrestricted investment income			
Miscellaneous			
Special item - loss on disposal of capital asset			
Transfers			
Total general revenues, special item and transfers			
CHANGE IN NET ASSETS			
NET ASSETS - APRIL 1, 2005			
NET ASSETS - MARCH 31, 2006			

See notes to financial statements

<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue</u>		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ -	\$ (1,129,746)	\$ -	\$ (1,129,746)
-	(1,199,798)	-	(1,199,798)
214,959	10,773	-	10,773
-	(381,991)	-	(381,991)
<u>\$ 214,959</u>	<u>\$ (2,700,762)</u>	<u>\$ -</u>	<u>\$ (2,700,762)</u>
<u>\$ 215,400</u>	<u>\$ -</u>	<u>\$ 69,621</u>	<u>\$ 69,621</u>
<u>\$ 430,359</u>	<u>\$ (2,700,762)</u>	<u>\$ 69,621</u>	<u>\$ (2,631,141)</u>
	\$ 750,172	\$ -	\$ 750,172
	525,790	-	525,790
	792,090	-	792,090
	1,224,535	-	1,224,535
	285,940	31,599	317,539
	91,452	-	91,452
	(1,717)	-	(1,717)
	<u>64,000</u>	<u>(64,000)</u>	<u>-</u>
	 <u>\$ 3,732,262</u>	 <u>\$ (32,401)</u>	 <u>\$ 3,699,861</u>
	\$ 1,031,500	\$ 37,220	\$ 1,068,720
	 <u>15,050,153</u>	 <u>6,091,381</u>	 <u>21,141,534</u>
	<u>\$ 16,081,653</u>	<u>\$ 6,128,601</u>	<u>\$ 22,210,254</u>



TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
MARCH 31, 2006

	<u>General</u>	<u>Sewer Distribution</u>
ASSETS		
Cash	\$ 5,307,249	\$ 681,296
Accounts receivable	211,400	-
Assessment receivable	8,255	438,475
Interest receivable	59,805	-
Due from other funds	<u>88,891</u>	<u>451,051</u>
TOTAL ASSETS	<u>\$ 5,675,600</u>	<u>\$ 1,570,822</u>
LIABILITIES		
Accounts payable	\$ 104,836	\$ 10,866
Deferred revenue	22,255	438,475
Accrued vacation	<u>51,249</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 178,340</u>	<u>\$ 449,341</u>
FUND BALANCES		
Reserved	\$ 2,322,746	\$ -
Unreserved	<u>3,174,514</u>	<u>1,121,481</u>
TOTAL FUND BALANCES	<u>\$ 5,497,260</u>	<u>\$ 1,121,481</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,675,600</u>	<u>\$ 1,570,822</u>

See notes to financial statements

<u>Township Improvements</u>	<u>Total Governmental Funds</u>
\$ 1,025,509	\$ 7,014,054
-	211,400
-	446,730
31,872	91,677
<u>400,000</u>	<u>939,942</u>
<u>\$ 1,457,381</u>	<u>\$ 8,703,803</u>
\$ -	\$ 115,702
-	460,730
<u>-</u>	<u>51,249</u>
<u>\$ -</u>	<u>\$ 627,681</u>
\$ -	\$ 2,322,746
<u>1,457,381</u>	<u>5,753,376</u>
<u>\$ 1,457,381</u>	<u>\$ 8,076,122</u>
<u>\$ 1,457,381</u>	<u>\$ 8,703,803</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET  
FOR GOVERNMENTAL FUNDS TO NET ASSETS OF  
GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET ASSETS  
MARCH 31, 2006

Fund balances - Total governmental funds	\$ 8,076,122
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Add - Capital assets	9,996,461
Deduct - Accumulated depreciation	(2,531,255)

Tax, special assessment, or other revenues unearned or unavailable in < 60 days for expenditures reported in fund statements.

Add - Receivables	93,595
Add - Deferred revenue	<u>446,730</u>

Net assets of governmental activities	<u>\$ 16,081,653</u>
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TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED MARCH 31, 2006

	<u>General</u>	<u>Sewer Distribution</u>
REVENUES		
Taxes and special assessments	\$ 2,198,469	\$ 206,376
Licenses and permits	163,229	-
State shared revenues	1,227,102	-
Charges for services	53,006	-
Recreation	95,925	-
Interest	202,924	51,692
Reimbursements	3,396	-
Miscellaneous	<u>102,739</u>	<u>4,333</u>
 TOTAL REVENUES	 <u>\$ 4,046,790</u>	 <u>\$ 262,401</u>
EXPENDITURES		
General government	\$ 1,301,109	\$ -
Public safety	1,068,560	-
Public works	332,451	90,727
Recreation	276,270	-
Capital outlay	<u>694,558</u>	<u>196,470</u>
 TOTAL EXPENDITURES	 <u>\$ 3,672,948</u>	 <u>\$ 287,197</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	 <u>\$ 373,842</u>	 <u>\$ (24,796)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	\$ 64,000	\$ -
Transfers out	<u>(500,000)</u>	<u>-</u>
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>\$ (436,000)</u>	 <u>\$ -</u>
 NET CHANGE IN FUND BALANCES	 <u>\$ (62,158)</u>	 <u>\$ (24,796)</u>
 FUND BALANCES - APRIL 1, 2005	 <u>5,559,418</u>	 <u>1,146,277</u>
 FUND BALANCES - MARCH 31, 2006	 <u>\$ 5,497,260</u>	 <u>\$ 1,121,481</u>

See notes to financial statements

<u>Township Improvements</u>	<u>Total Governmental Funds</u>
\$ -	\$ 2,404,845
-	163,229
-	1,227,102
-	53,006
-	95,925
31,325	285,941
-	3,396
<u>500</u>	<u>107,572</u>
<u>\$ 31,825</u>	<u>\$ 4,341,016</u>
\$ -	\$ 1,301,109
-	1,068,560
-	423,178
-	276,270
<u>431,433</u>	<u>1,322,461</u>
<u>\$ 431,433</u>	<u>\$ 4,391,578</u>
<u>\$ (399,608)</u>	<u>\$ (50,562)</u>
\$ 500,000	\$ 564,000
<u>-</u>	<u>(500,000)</u>
<u>\$ 500,000</u>	<u>\$ 64,000</u>
\$ 100,392	\$ 13,438
<u>1,356,989</u>	<u>8,062,684</u>
<u>\$ 1,457,381</u>	<u>\$ 8,076,122</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
RECONCILIATION OF OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED MARCH 31, 2006

Net change in fund balances - Total governmental funds	\$ 13,438
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add - Capital outlay	1,322,461
Deduct - Depreciation expense	(297,165)
Deduct - Loss on disposal of capital asset	(1,717)

Tax, special assessment, or other revenues unearned or unavailable in < 60 days for expenditures reported in fund statements.	(5,517)
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Change in net assets of governmental activities	<u>\$ 1,031,500</u>
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TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
MARCH 31, 2006

	Enterprise Fund
	<u>Water</u>
<b>ASSETS</b>	
Current assets	
Cash	\$ 519,525
Accounts receivable	97,905
Assessment receivable	214,302
Due from other funds	<u>211</u>
<b>TOTAL CURRENT ASSETS</b>	<b><u>\$ 831,943</u></b>
Noncurrent assets	
Capital assets	
Construction in progress	\$ 13,262
Other capital assets, net of depreciation	<u>6,242,278</u>
<b>TOTAL NONCURRENT ASSETS</b>	<b><u>\$ 6,255,540</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$ 7,087,483</u></b>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	\$ 107,831
Due to other funds	<u>851,051</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 958,882</u></b>
<b>NET ASSETS</b>	
Invested in capital assets	\$ 6,255,540
Unrestricted	<u>(126,939)</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 6,128,601</u></b>

See notes to financial statements

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
PROPRIETARY FUND  
YEAR ENDED MARCH 31, 2006

	Enterprise Fund
	<u>Water</u>
OPERATING REVENUES	
Water billings	\$ 956,639
Water connection charges	83,139
Miscellaneous	<u>940</u>
TOTAL OPERATING REVENUES	<u>\$ 1,040,718</u>
OPERATING EXPENSES	
Purchase of water	\$ 624,725
Hydrants	33,191
Utilities	4,947
Water connections, repairs and maintenance	86,277
Operating fees	175,687
Supplies	3,064
Professional services	40,392
Depreciation	213,860
Miscellaneous	<u>4,354</u>
TOTAL OPERATING EXPENSES	<u>\$ 1,186,497</u>
OPERATING LOSS	<u>\$ (145,779)</u>
NONOPERATING REVENUES	
Interest income	<u>\$ 31,599</u>
LOSS BEFORE CONTRIBUTIONS AND TRANSFERS	\$ (114,180)
CAPITAL CONTRIBUTIONS	215,400
OPERATING TRANSFER OUT	<u>(64,000)</u>
CHANGE IN NET ASSETS	\$ 37,220
NET ASSETS - APRIL 1, 2005	<u>6,091,381</u>
NET ASSETS - MARCH 31, 2006	<u>\$ 6,128,601</u>

See notes to financial statements



TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED MARCH 31, 2006

	Enterprise Fund
	<u>Water</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 1,019,618
Payments to suppliers	(263,217)
Internal activity	
Payments to other funds	<u>(64,000)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 692,401</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Water system construction	\$ (1,111,870)
Contributed capital	<u>215,400</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (896,470)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest	<u>\$ 31,599</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>\$ 31,599</u>
NET DECREASE IN CASH	\$ (172,470)
CASH BALANCE - APRIL 1, 2005	<u>691,995</u>
CASH BALANCE - MARCH 31, 2006	<u><u>\$ 519,525</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ (209,779)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	213,860
Change in assets and liabilities	
Receivables	(21,100)
Accounts and other payables	<u>709,420</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 692,401</u></u>

See notes to financial statements

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF FIDUCIARY NET ASSETS  
AGENCY FUND  
MARCH 31, 2006

	Property Tax <u>Collection</u>
ASSETS	
Receivables, net	\$ <u>60,885</u>
TOTAL ASSETS	\$ <u>60,885</u>
LIABILITIES	
Payables to other governments	\$ <u>60,885</u>
TOTAL LIABILITIES	\$ <u>60,885</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Township.

REPORTING ENTITY

The Township was organized in 1915 and covers an area of approximately 20 square miles. The Township operates under an elected Board of Trustees (7 members) and provides services to its more than 18,500 residents in many areas including law enforcement, fire protection, community enrichment and development and human services. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 14, certain other governmental organizations are not considered to be part of the Township entity for financial reporting purposes.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT  
PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the fiscal period. Property taxes, state shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

Property taxes for the Township are levied December 1st and are payable on February 15th. The Township bills and collects its own property taxes and also taxes for the county and local school districts. Property tax revenues are recognized when levied to the extent that they result in current receivables. Delinquent taxes are received by Ottawa County. Collection of all taxes are accounted for in the agency fund.

The Township's property tax is levied on each December 1<sup>st</sup> on the taxable valuation of property (as defined by State statutes) located in Park Township as of the preceding December 31<sup>st</sup>. The Township's 2005 ad valorem tax is levied and collectible on December 1, 2005, and it is the Township's policy to recognize revenue from the current tax levy in the current year ended March 31, 2006.

The 2005 taxable valuation of the Township totaled \$783,597,609, on which ad valorem taxes levied consisted of .9523 mills for the Township's operating purposes, .6700 mills for police services, .4550 mills for parks, and .5550 mills for bike paths.

These taxes raised \$746,986 for operating, \$525,790 for police services, \$356,913 for parks, and \$435,177 for bike paths. These amounts are recognized in the General Fund financial statement as tax revenue.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Sewer Distribution Fund accounts for financial resources to be used for the acquisition or construction of major sewer capital facilities which are not financed by the proprietary fund.

The Township Improvements Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by the proprietary fund.

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Township reports the following major proprietary fund:

The Water Fund accounts for the activities of the water distribution system.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The Township has elected not to follow private-sector standards issued after November 30, 1989 for its business-type activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and conditions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for services. The Water Fund also recognizes the portion of connection fees intended to recover current costs as operating revenue. Investment income is recognized as nonoperating revenue. Operating expenses for proprietary funds include operating expenses, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Bank Deposits – Cash is considered to be cash on hand, demand deposits, and certificates of deposit.

Receivables and Payables – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1<sup>st</sup> on the taxable valuation of property as of the preceding December 31<sup>st</sup>. Taxes are considered delinquent on March 1<sup>st</sup> of the following year, at which time penalties and interest are assessed.

Special Assessments Receivable – The governmental activities and business-type activities have special assessments recorded in the amount of \$661,031. Of the special assessment balance, \$446,730 is deferred because it is unavailable in the fund financial statements.

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Capital assets, which include property, plant, equipment, infrastructure assets (e.g., water and sewer lines, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Building	40 to 60 years
Building improvements	15 to 30 years
Land improvements	15 to 30 years
Water and sewer lines	50 to 75 years
Fire trucks	25 years
Vehicles	5 to 10 years
Office equipment	7 to 10 years
Machinery and equipment	7 to 10 years

Compensated Absences (Vacation and Sick Leave) – Full-time, non-elected, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Township. Sick leave accrues to full-time, non-elected, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination. All vacation pay is accrued when incurred in the government-wide statement at year-end.

Deferred Revenue – Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet earned.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

	<u>General Fund</u>
Reserved	
Bicycle paths	\$ 784,597
Parks	948,491
Public safety	<u>589,658</u>
	<u>\$2,322,746</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Net Assets – The Township’s policy is to first apply restricted resources when an expense is incurred for which restricted and unrestricted net assets are available.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, department and line items. The legal level of budgetary control adopted by the Township is the department level.

Excess of Expenditures Over Appropriations in Budgeted Funds – During the year, the Township of Park incurred expenditures in certain budgeted funds which were in excess of the amounts appropriated, as follows:

<u>Budget Item</u>	<u>Budget Appropriation</u>	<u>Actual Expenditure</u>	<u>Variance (Unfavorable)</u>
General Fund			
Public works			
Capital outlay	\$ 23,400	\$ 23,784	\$ (384)
Drains at large	200	15,143	(14,943)

NOTE 3– DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Sections 129.91, authorizes the Township to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers’ acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivision which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township of Park Board has designated seven banks for the deposit of Township funds. The Board adopted a deposit and investment policy in accordance with Public Act 196 of 1997.

At year-end, the Township’s deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Cash	<u>\$7,026,900</u>	<u>\$519,736</u>	<u>\$7,546,636</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 3– DEPOSITS AND INVESTMENTS (CONTINUED)

The breakdown between deposits and investments is as follows:

	<u>Primary Government</u>
Bank deposits (checking and savings accounts, certificates of deposit)	<u>\$7,546,636</u>

The bank balance of the primary government's deposits is \$7,609,582, of which \$800,000 is covered by federal depository insurance and \$6,809,582 is uninsured and uncollateralized.

NOTE 4 – RECEIVABLES

Receivables as of year-end for the Township's individual major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	<u>General Fund</u>	<u>Sewer Distribution</u>	<u>Township Improvements</u>	<u>Other Funds</u>	<u>Total</u>
Taxes receivable	\$ -	\$ -	\$ -	\$ 60,885	\$ 60,885
Special assessments	8,255	438,475	-	-	446,730
Accounts	7,967	-	-	-	7,967
Intergovernmental	203,433	-	-	-	203,433
Interest and other	<u>148,696</u>	<u>451,051</u>	<u>431,872</u>	<u>-</u>	<u>1,031,619</u>
Gross receivables	\$ 368,351	\$ 889,526	\$ 431,872	\$ 60,885	\$1,750,634
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net receivables	<u>\$ 368,351</u>	<u>\$ 889,526</u>	<u>\$ 431,872</u>	<u>\$ 60,885</u>	<u>\$1,750,634</u>

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Special assessments	\$ 446,730	\$ -
Recreation fees	<u>-</u>	<u>14,000</u>
Total	<u>\$ 446,730</u>	<u>\$14,000</u>



TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 5 – CAPITAL ASSETS

Capital asset activity of the primary government for the current year was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$1,730,409	\$ -	\$ -	\$1,730,409
Construction in progress	<u>237,096</u>	<u>417,224</u>	<u>(233,594)</u>	<u>420,726</u>
Subtotal	<u>\$1,967,505</u>	<u>\$ 417,224</u>	<u>\$ (233,594)</u>	<u>\$2,151,135</u>
Capital assets being depreciated				
Buildings	\$2,366,059	\$ 56,200	\$ (15,000)	\$2,407,259
Improvements other than buildings	2,450,739	195,916	(10,300)	2,636,355
Machinery and equipment	1,368,191	478,546	(53,883)	1,792,854
Infrastructure	<u>600,689</u>	<u>408,169</u>	<u>-</u>	<u>1,008,858</u>
Subtotal	<u>\$6,785,678</u>	<u>\$1,138,831</u>	<u>\$ (79,183)</u>	<u>\$7,845,326</u>
Less accumulated depreciation for				
Buildings	\$ 481,585	\$ 51,151	\$ (15,000)	\$ 517,736
Improvements other than buildings	1,105,002	153,220	(8,583)	1,249,639
Machinery and equipment	720,710	74,811	(53,883)	741,638
Infrastructure	<u>4,259</u>	<u>17,983</u>	<u>-</u>	<u>22,242</u>
Subtotal	<u>\$2,311,556</u>	<u>\$ 297,165</u>	<u>\$ (77,466)</u>	<u>\$2,531,255</u>
Net capital assets being depreciated	<u>\$4,474,122</u>	<u>\$ 841,666</u>	<u>\$ (1,717)</u>	<u>\$5,314,071</u>
Total capital assets – net of depreciation	<u>\$6,441,627</u>	<u>\$1,258,890</u>	<u>\$ (235,311)</u>	<u>\$7,465,206</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 5 – CAPITAL ASSETS (CONTINUED)

<u>Business-Type Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Construction in progress	<u>\$ 235,811</u>	<u>\$ 13,262</u>	<u>\$(235,811)</u>	<u>\$ 13,262</u>
Capital assets being depreciated				
Infrastructure	<u>\$8,310,058</u>	<u>\$ 1,334,419</u>	<u>\$ -</u>	<u>\$9,644,477</u>
Less accumulated depreciation for				
Infrastructure	<u>\$3,188,339</u>	<u>\$ 213,860</u>	<u>\$ -</u>	<u>\$3,402,199</u>
Net capital assets being				
depreciated	<u>\$5,121,729</u>	<u>\$ 1,120,559</u>	<u>\$ -</u>	<u>\$6,242,278</u>
Total capital assets –				
net of depreciation	<u>\$5,357,530</u>	<u>\$ 1,133,821</u>	<u>\$(235,811)</u>	<u>\$6,255,540</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities	
General government	\$ 32,183
Public safety	83,890
Public works	22,361
Parks and recreation	<u>158,731</u>
Total governmental activities	<u>\$297,165</u>
Business-type activities	
Water	<u>\$213,860</u>

<u>Construction Commitments</u>	<u>Spent to Date</u>	<u>Remaining Commitments</u>
Water lines	\$ 13,262	\$ 80,000
Parks	386,683	167,317
Bicycle paths	<u>34,043</u>	<u>42,007</u>
	<u>\$433,988</u>	<u>\$289,324</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 6 – INTERFUND TRANSFERS

The composition of interfund balances as of March 31, 2006 are as follows:

<u>Receivable Fund</u>		<u>Payable Fund</u>	
Major funds:			
General	\$ 88,891	Agency	\$ 89,102
Sewer Distribution	451,051	Proprietary	<u>851,051</u>
Township Improvements	400,000		
Proprietary	<u>211</u>		
	<u>\$940,153</u>		<u>\$940,153</u>

Interfund transfers in and out as of March 31, 2006 are as follows:

	<u>Operating Transfer In</u>	<u>Operating Transfer Out</u>
Major funds:		
General	\$ 64,000	\$(500,000)
Township Improvements	500,000	-
Proprietary	<u>-</u>	<u>(64,000)</u>
Total	<u>\$564,000</u>	<u>\$(564,000)</u>

NOTE 7 – LEASES

The Township leases certain real estate adjacent to Pine Creek from Beechwood Reformed Church for the construction, maintenance and public use of a nature trail and walkway. The term of the lease is for 30 years beginning in 2000. The lease required only a single payment of \$10,000 at inception with no additional payments required during the 30 year lease period. Upon expiration of the initial term, absent the Church and Township negotiating and reaching a separate agreement regarding the property, the lease shall renew on a year-to-year basis for \$2,500 per year. After the 30 year term has expired, either party may terminate the arrangement with six months written notice.

The Township leases certain property to the Ottawa County Fair Association on a 15-year lease commencing April 1, 2006 with rent at \$1,800 per year. The Township also leases its airport facilities to Ottawa Aviation, Inc. on a 20-year lease ending in December 2012 and requiring annual payments of \$1,800 per year. Rental income under these arrangements was \$3,300 for the year ended March 31, 2006.

Future minimum annual rentals to be received are as follows:

2007	\$3,600
2008	3,600
2009	3,600
2010	3,600
2011	3,600

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 8 – RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance to cover all risks of losses. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

NOTE 9 – PENSION PLAN

The Township sponsors a money purchase retirement plan for all full-time employees who have attained the age of 20 ½ and have completed 1 ½ years of service. This plan is funded by current payments to a life insurance trust. The retirement plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Such benefits depend solely on the amount contributed to the participant's account and the returns earned on investment of those contributions. Contributions to the plan are made by the Township based upon 13.4% of each employee's annual earnings. Total covered payroll for the Township's year ending March 31, 2006 was \$616,585 and total payroll for the Township's year ending March 31, 2006 was \$948,314. Employees are vested immediately upon entering the plan. Employer contributions for the year ended March 31, 2006 totaled \$88,586.

The Township also offers its employees a deferred compensation plan. The plan is available to all Township employees and permits them to defer a portion of their current salary until future years. Deferred compensation is not available to the employees until termination, retirement, death or financial hardship. Employee contributions for the year ended March 31, 2006 totaled \$6,180.

NOTE 10 – POST EMPLOYMENT HEALTH CARE BENEFITS

The Township provides post employment health care benefits to retired employees. Eligible recipients include all full-time elected and non-elected employees of the Township with a minimum of 10 years of service and a minimum age of 62, or have a combined age and years of service totaling 80 and a minimum age of 55. Retirement health insurance will not be available to an employee not employed by the Township until at least age 55 or having health insurance available through another employer. The Township's funded portion will be calculated at 3% of their applicable premium per year of service for primary coverage until eligible for Medicare at which time the Township funded portion will be calculated at 3% of supplemental coverage premium per year of service. These benefits were established by action of the Township Board and will be accounted for and financed on a pay-as-you-go basis as the Township makes monthly premium payments to its regular health insurance provider. As of March 31, 2006, three retirees received such post employment benefits. During the fiscal year ended March 31, 2006, expenditures of \$21,606 were recognized for post employment health care benefits, net of \$19,269 contributed by the retirees.

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2006

NOTE 11 – BUILDING DEPARTMENT

Revenues	
Inspections fees	<u>\$ 162,902</u>
Expenditures	
Wages and contract labor	\$ 213,679
Social security and fringe benefits	47,128
Office expenses	7,862
Other expenses	<u>7,807</u>
Total expenditures	<u>\$ 276,476</u>
Deficiency of revenues under expenditures	\$(113,574)
Cumulative deficiency of revenues under expenditures March 31, 2005	<u>(186,132)</u>
Cumulative deficiency of revenues under expenditures March 31, 2006	<u>\$(299,706)</u>

NOTE 12 – COMMITMENTS AND CONTINGENCIES

The Township of Park has entered into two contracts providing for the acquisition, construction and financing of improvements to the Wyoming Water Supply System. The full faith and credit of the Township of Park have been pledged in the making of the payments to Ottawa County, issuer of the bonds. The 1995 bonds require amounts equal to 2.35%, and the 2002 bonds require amounts equal to 4.16% of the principal amount of the bonds actually issued and the interest thereon. The total principal outstanding on the 1995 bonds was \$2,445,000 at March 31, 2006. The total principal outstanding on the 2002 bonds was \$6,500,000 at March 31, 2006.

The Township of Park has entered into a contract providing for the acquisition, construction and financing of improvements to the City of Holland Waste Water Treatment Plant. The full faith and credit of the Township of Park have been pledged in the contract for the making of payments to Ottawa County, the issuer of the bonds, in amounts sufficient to pay 7.49% of the principal amount of the bonds actually issued and the interest thereon. The total principal outstanding on the 1994 bonds was \$7,195,000 at March 31, 2006.

## REQUIRED SUPPLEMENTAL INFORMATION

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL FUND  
YEAR ENDED MARCH 31, 2006

	Original <u>Budget</u>	Final Amended <u>Budget</u>
<b>REVENUES</b>		
Taxes and special assessments	\$ 2,137,800	\$ 2,137,800
Licenses and permits	245,500	246,000
State shared revenues	1,263,000	1,263,000
Charges for services	48,500	48,500
Recreation	102,500	102,500
Interest	59,000	114,500
Reimbursements	-	-
Miscellaneous	<u>53,500</u>	<u>53,000</u>
 TOTAL REVENUES	 <u>\$ 3,909,800</u>	 <u>\$ 3,965,300</u>
 <b>EXPENDITURES</b>		
General government		
Board of trustees	\$ 13,600	\$ 14,200
Supervisor	67,512	67,512
Elections	12,000	12,000
Auditing fees	17,500	21,500
Assessor	131,300	131,300
Legal fees	116,900	116,900
Clerk	11,664	11,664
Board of review	3,000	3,000
Community services	126,500	126,500
Treasurer	58,608	58,608
Township office and computers	253,500	253,500
Township property	187,000	212,000
Employee benefits	370,700	405,700
Contingencies	93,136	38,536
Insurance	78,600	78,600
Cemetery	<u>42,700</u>	<u>42,700</u>
 Total general government	 <u>\$ 1,584,220</u>	 <u>\$ 1,594,220</u>

<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 2,198,469	\$ 60,669
163,229	(82,771)
1,227,102	(35,898)
53,006	4,506
95,925	(6,575)
202,924	88,424
3,396	3,396
<u>102,739</u>	<u>49,739</u>
 \$ 4,046,790	 \$ 81,490

\$ 13,725	\$ 475
67,512	-
6,038	5,962
21,076	424
122,523	8,777
94,114	22,786
11,664	-
1,397	1,603
109,035	17,465
58,608	-
219,462	34,038
125,442	86,558
349,225	56,475
-	38,536
76,987	1,613
<u>24,301</u>	<u>18,399</u>
 \$ 1,301,109	 \$ 293,111



TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL FUND (CONTINUED)  
YEAR ENDED MARCH 31, 2006

	Original <u>Budget</u>	Final Amended <u>Budget</u>
EXPENDITURES (CONTINUED)		
Public safety		
Police protection	\$ 508,000	\$ 543,000
Liquor inspections	1,800	1,800
Fire department	340,600	340,600
Building, plumbing, electrical and mechanical inspections	234,200	234,200
Planning and zoning	<u>26,700</u>	<u>26,700</u>
Total public safety	<u>\$ 1,111,300</u>	<u>\$ 1,146,300</u>
Public works		
Streets	\$ 192,300	\$ 217,300
Drains at large	200	200
Engineering	4,000	4,000
Street lights	<u>98,000</u>	<u>108,000</u>
Total public works	<u>\$ 294,500</u>	<u>\$ 329,500</u>
Recreation		
Recreation department	\$ 103,500	\$ 114,000
Parks	56,900	56,900
Tot Time	20,500	20,500
Bicycle paths	<u>161,900</u>	<u>161,900</u>
Total recreation	<u>\$ 342,800</u>	<u>\$ 353,300</u>
Capital outlay		
General government	\$ 22,500	\$ 22,500
Public works	23,400	23,400
Recreation		
Parks	592,000	592,000
Bicycle paths	<u>180,000</u>	<u>180,000</u>
Total capital outlay	<u>\$ 817,900</u>	<u>\$ 817,900</u>
TOTAL EXPENDITURES	<u>\$ 4,150,720</u>	<u>\$ 4,241,220</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (240,920)</u>	<u>\$ (275,920)</u>

<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 509,431	\$ 33,569
1,800	-
333,540	7,060
208,452	25,748
<u>15,337</u>	<u>11,363</u>
<u>\$ 1,068,560</u>	<u>\$ 77,740</u>
\$ 216,429	\$ 871
15,143	(14,943)
49	3,951
<u>100,830</u>	<u>7,170</u>
<u>\$ 332,451</u>	<u>\$ (2,951)</u>
\$ 106,967	\$ 7,033
47,431	9,469
17,944	2,556
<u>103,928</u>	<u>57,972</u>
<u>\$ 276,270</u>	<u>\$ 77,030</u>
\$ 12,175	\$ 10,325
23,784	(384)
530,784	61,216
<u>127,815</u>	<u>52,185</u>
<u>\$ 694,558</u>	<u>\$ 123,342</u>
<u>\$ 3,672,948</u>	<u>\$ 568,272</u>
<u>\$ 373,842</u>	<u>\$ 649,762</u>

TOWNSHIP OF PARK  
OTTAWA COUNTY, MICHIGAN  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL FUND (CONTINUED)  
YEAR ENDED MARCH 31, 2006

	Original <u>Budget</u>	Final Amended <u>Budget</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	\$ 64,000	\$ 64,000
Transfers out	<u>(43,880)</u>	<u>(543,880)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 20,120</u>	<u>\$ (479,880)</u>
NET CHANGE IN FUND BALANCE	\$ (220,800)	\$ (755,800)
FUND BALANCE - APRIL 1, 2005	<u>5,559,418</u>	<u>5,559,418</u>
FUND BALANCE - MARCH 31, 2006	<u><u>\$ 5,338,618</u></u>	<u><u>\$ 4,803,618</u></u>

<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 64,000	\$ -
<u>(500,000)</u>	<u>43,880</u>
<u>\$ (436,000)</u>	<u>\$ 43,880</u>
\$ (62,158)	\$ 693,642
<u>5,559,418</u>	<u>-</u>
<u>\$ 5,497,260</u>	<u>\$ 693,642</u>